

Loudoun County, Virginia

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July 12, 2005

Mr. Timothy Lough, Ph.D., P.E. Special Projects Engineer Division of Energy Regulations P. O. Box 1197 Richmond, VA 23218

Dear Mr. Lough:

Thank you for your letter to me asking for a response to questions raised by SB-783. Loudoun County is very interested in participating in the study of implementation of SB-783 for which the SCC is to submit its finding back to the Governor and the General Assembly later this year. The Loudoun County Board of Supervisors has formally requested that Dominion Virginia Power locate the proposed transmission lines with underground installation on the Route 7 corridor, including the industrial portion of Cochran Mill Road as access to Route 7 corridor to the proposed new Hamilton Substation.

Loudoun County is a formal party to the proceeding of a request of Dominion Power to construct: (a) a new 230 kV transmission line approximately 15.7 miles long between the existing Pleasant View Substation and the proposed Hamilton Substation and (b) the Hamilton Substation. (Case Number: PUE-2005-00018)

In response to your five questions, as County staff, we have the following comments:

1. Should a locality requesting the SCC's consideration of an underground transmission line alternative be required to participate as a formal party to the proceeding in which it proposes such at alternative, i.e., should it be required to be a Respondent pursuant to Rule 80 or the Commissions; Rules (5 VAC-20-80)?

Yes. The intent expressed in SB-783 is that the governing body would request the SCC to consider the transmission lines to be installed underground. Typically, such participation would be by formal intervention. Loudoun County has been a formal party to power line proceedings in the past and is currently participating in the proceeding of a request of Dominion Power to construct this new 230 kV transmission line. (Case Number: PUE-2005-00018)

2. Should any locality requesting the SCC's consideration of an underground transmission line alternate to be obligated to develop and submit to the SCC a proposal detailing that alternative, providing evidentiary support for that proposal and having the burden of proof therefore?

The locality should submit a reasonably specific request identifying the proposed location of underground lines to be considered by the Commission.

3. Should a locality requesting the SCC's consideration of an underground transmission line alternative be obligated to propose such an alternative not later than a date corresponding to a specific procedural milestone established in the Docket's scheduling order? If so, which procedural milestone? If not, why not?

The utility has unlimited time to develop its plans before submitting the application to the SCC. An intervening local government seeking an alternative to above-ground power lines needs to be granted sufficient time to develop the underground alternative which may likely involve a different alignment from the original application. The procedural milestone established in the SCC Docket's scheduling order would need to be extended to allow the alternative to be completely developed.

4. Should the applicant utility, itself, have the obligation to develop an underground transmission line alternative if such an alternative's consideration by the SCC is requested by the locality? If so, what should be the locality's role in that alternative's development, if any? Additionally, should the cost of such an alternative's development be borne entirely by the applicant utility? If not, why not?

The utility should be directed to fully cooperate with the locality in developing alternatives if the local government becomes a party to the proceedings and submits proposed alternatives. The development of alternatives may be the obligation of the utility applicant or may be developed jointly with the locality.

5. Are there any additional procedural or evidentiary issues that the Commission should consider as part of this study? If so, please elaborate.

The technology for under grounding transmission lines has improved greatly in recent years. Any cost comparisons should include lifetime costs for repair and maintenance as well as initial construction costs. Utilities in other states and countries are embracing newer technologies that result in lower life cycle costs, higher reliability rates and less damage to the surrounding communities.

We appreciate the opportunity to respond to these questions and participate in this study of implementation of the requirements in SB-783.

Sincerely,

Kirby M. Bowers County Administrator

cc: Loudoun County Board of Supervisors Senator Bill Mims Delegate Joe May